

191—71.4(513B) Establishment of classes of business.

71.4(1) A small employer carrier or ODS that establishes more than one class of business as defined in Iowa Code section 513B.2 shall maintain on file for inspection by the commissioner the following information with respect to each class of business so established:

a. A description of each criterion employed by the carrier (or any of its agents) for determining membership in the class of business;

b. A statement describing the justification for establishing the class as a separate class of business and documentation that the establishment of the class of business is intended to reflect substantial differences in expected claims experience or administrative costs related to the reasons as set forth in the definition of “class of business” in Iowa Code section 513B.2;

c. A statement disclosing which, if any, health insurance coverages are currently available for purchase in the class and any significant limitations related to the purchase of such plans.

71.4(2) A carrier or ODS may not directly or indirectly use group size as a criterion for establishing eligibility for health insurance coverage or for a class of business.